

Department of Veterans Affairs

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(c) *Scope of self-employment benefits and services.* (1) VA may provide the self-employment services listed in paragraph (d) of this section to program participants who are pursuing the vocational goal of self-employment.

(2) VA may provide the more extensive services listed in paragraph (e) of this section to individuals with the most severe service-connected disability(ies) who require self-employment.

(Authority: 38 U.S.C. 3104(a))

(d) *Assistance for other individuals in self-employment.* Subject to the provisions of § 21.258, VA may provide the following assistance to any individual for whom self-employment is determined to be a suitable vocational goal—

- (1) Vocational training;
- (2) Incidental training in the management of a business;
- (3) License or other fees required for self-employment;
- (4) Necessary tools and supplies for the occupation; and
- (5) Services described in § 21.252.

(Authority: 38 U.S.C. 3104(a))

(e) *Special self-employment services for individuals with the most severe service-connected disability(ies) who require self-employment.* Individuals described in paragraph (b) of this section who are in a self-employment program may receive—

- (1) The services described in paragraph (d) of this section; and
- (2) The assistance described in § 21.214.

(Authority: 38 U.S.C. 3104, 3116, 3117)

(f) *Feasibility analysis of a proposed self-employment business plan.* VA will conduct a comprehensive review and analysis of the feasibility of a proposed business plan, as submitted by the individual or developed with VA's assistance, prior to authorizing a rehabilitation plan leading to self-employment (a "self-employment plan"). The feasibility analysis must include—

- (1) An analysis of the economic viability of the proposed business;

(2) A cost analysis specifying the amount and types of assistance that VA will provide;

(3) A market analysis for the individual's proposed services or products;

(4) Availability of financing from non-VA sources, including the individual's personal resources, local banks, and other sources;

(5) Evidence of coordination with the Small Business Administration to secure special consideration under section 8 of the Small Business Act, as amended;

(6) The location of the site for the proposed business and the cost of the site, if any; and

(7) A training plan to operate a successful business.

(Authority: 38 U.S.C. 3104)

[75 FR 3170, Jan. 20, 2010]

§ 21.258 Cost limitations on approval of self-employment plans.

A self-employment plan with an estimated or actual cost of less than \$25,000 may be approved by the VR&E Officer with jurisdiction. Any self-employment plan with an estimated or actual cost of \$25,000 or more must be approved by the Director, VR&E Service.

(Authority: 38 U.S.C. 3104)

[75 FR 3170, Jan. 20, 2010]

MONETARY ASSISTANCE SERVICES

§ 21.260 Subsistence allowance.

(a) *General.* A veteran participating in a rehabilitation program under 38 U.S.C. Chapter 31 will receive a monthly subsistence allowance at the rates in paragraph (b) of this section, unless the veteran elects to receive payment at the rate of monthly educational assistance allowance payable under 38 U.S.C. Chapter 30 for the veteran's type of training. See § 21.264 for election of payment at the Chapter 30 rate and §§ 21.7136, 21.7137, and 21.7138 to determine the applicable Chapter 30 rate.

(Authority: 38 U.S.C. 3108(a), 3108(f))

(b) *Rate of payment.* VA pays subsistence allowance at the rates stated in the following tables:

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(1) Subsistence allowance is paid at the following rates effective October 1, 1994, and before November 2, 1994:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional: ¹				
Full-time	\$374.93	\$465.08	\$548.05	\$39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
Nonpay or nominal pay on-job training in a Federal, State, or local agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				
Full-time only	374.93	465.08	548.05	39.95
Nonpay or nominal pay work experience in a Federal, State, or local agency:				
Full-time	374.93	465.08	548.05	39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
Farm cooperative, apprenticeship, or other on-job training: ²				
Full-time only	327.81	396.44	456.88	29.71
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	374.93	465.08	548.05	39.45
OJT greater than ½ time	327.81	396.44	456.88	29.71
Non-farm cooperative (Full-time only):				
Institutional	374.93	465.08	548.05	39.95
On-job	327.81	396.44	456.88	29.71
Improvement of rehabilitation potential:				
Full-time only	374.93	465.08	548.05	39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
¼ time ³	94.24	116.78	137.27	10.24

¹For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.

²For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.

³The quarter-time rate may be paid only during extended evaluation.

(2) Subsistence allowance is paid at the following rates effective November 2, 1994, and before October 1, 1995:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional: ¹				
Full-time	\$374.93	\$465.08	\$548.05	\$39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
Nonpay or nominal pay on-job training in a facility of a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				
Full-time only	374.93	465.08	548.05	39.95
Nonpay or nominal pay work experience in a facility of a Federal, State, local, or federally recognized Indian tribe agency:				
Full-time	374.93	465.08	548.05	39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
Farm cooperative, apprenticeship, or other on-job training: ²				
Full-time only	327.81	396.44	456.88	29.71
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	374.93	465.08	548.05	39.45
OJT greater than ½ time	327.81	396.44	456.88	29.71
Non-farm cooperative (Full-time only):				
Institutional	374.93	465.08	548.05	39.95
On-job	327.81	396.44	456.88	29.71
Improvement of rehabilitation potential:				
Full-time only	374.93	465.08	548.05	39.95
¾ time	281.71	349.32	409.76	30.73
½ time	188.49	233.56	274.54	20.49
¼ time ³	94.24	116.78	137.27	10.24

¹For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.

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²For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.

³The quarter-time rate may be paid only during extended evaluation.

(3) The following table states the monthly rates of subsistence allowance payable for participation in a rehabilitation program under 38 U.S.C. Chapter 31 that occurs after September 30, 1995, and before October 1, 1996:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional:¹				
Full-time	\$385.80	\$478.57	\$563.94	\$41.11
¾ time	289.88	359.45	421.64	31.62
½ time	193.96	240.33	282.50	21.08
Nonpay or nominal pay on-job training in a facility of a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				
Full-time only	385.80	478.57	563.94	41.11
Nonpay or nominal pay work experience in a facility of a Federal, State, local, or Indian tribe agency:				
Full-time	385.80	478.57	563.94	41.11
¾ time	289.88	359.45	421.64	31.62
½ time	193.96	240.33	282.50	21.08
Farm cooperative, apprenticeship, or other on-job training (OJT): ²				
Full-time only	337.32	407.94	470.13	30.57
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	385.80	478.57	563.94	41.11
OJT greater than ½ time ²	337.32	407.94	470.13	30.57
Non-farm cooperative (Full-time only):				
Institutional	385.80	478.57	563.94	41.11
On-job ²	337.32	407.94	470.13	30.57
Improvement of rehabilitation potential:				
Full-time only	385.80	478.57	563.94	41.11
¾ time	289.88	359.45	421.64	31.62
½ time	193.96	240.33	282.50	21.08
¼ time ³	96.97	120.17	141.25	10.54

¹For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.

²For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.

³The quarter-time rate may be paid only during extended evaluation.

(4) The following table states the monthly rates of subsistence allowance payable for participation in a rehabilitation program under 38 U.S.C. Chapter 31 that occurs after September 30, 1996, and before October 1, 1997:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional:¹				
Full-time	\$396.22	\$491.49	\$579.17	\$42.22
¾ time	297.71	369.16	433.02	32.47
½ time	199.20	246.82	290.13	21.65
Nonpay or nominal pay on-job training in a facility of a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				
Full-time only	396.22	491.49	579.17	42.22
Nonpay or nominal pay work experience in a facility of a Federal, State, local, or federally recognized Indian tribe agency:				
Full-time	396.22	491.49	579.17	42.22
¾ time	297.71	369.16	433.02	32.47
½ time	199.20	246.82	290.13	21.65
Farm cooperative, apprenticeship, or other on-job training (OJT) ²				
Full-time only	346.43	418.95	482.82	31.40
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	396.22	491.49	579.17	42.22
OJT greater than ½ time ²	346.43	418.95	482.82	31.40
Non-farm cooperative (Full-time only):				
Institutional	396.22	491.49	579.17	42.22

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Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
On-job ²	346.43	418.95	482.82	31.40
Improvement of rehabilitation potential:				
Full-time only	396.22	491.49	579.17	42.22
¾ time	297.71	369.16	433.02	32.47
½ time	199.20	246.82	290.13	21.65
¼ time ³	99.59	123.41	145.06	10.82

¹For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.
²For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.
³The quarter-time rate may be paid only during extended evaluation.

(5) The following table states the monthly rates of subsistence allowance payable for participation in a rehabilitation program under 38 U.S.C. Chapter 31 that occurs after September 30, 1997, and before November 1, 1998:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional: ¹				
Full-time	\$407.31	\$505.25	\$595.39	\$43.40
¾ time	306.05	379.50	445.14	33.38
½ time	204.78	253.73	298.25	22.26
Nonpay or nominal pay on-job training in a facility of a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				
Full-time only	407.31	505.25	595.39	43.40
Nonpay or nominal pay work experience in a facility of a Federal, State, local, or federally recognized Indian tribe agency:				
Full-time	407.31	505.25	595.39	43.40
¾ time	306.05	379.50	445.14	33.38
½ time	204.78	253.73	298.25	22.26
Farm cooperative, apprenticeship, or other on-job training (OJT): ²				
Full-time only	356.13	430.68	496.34	32.28
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	407.31	505.25	595.39	43.40
OJT greater than ½ time ²	356.13	430.68	496.34	32.28
Non-farm cooperative (Full-time only):				
Institutional	407.31	505.25	595.39	43.40
On-job ²	356.13	430.68	496.34	32.28
Improvement of rehabilitation potential:				
Full-time only	407.31	505.25	595.39	43.40
¾ time	306.05	379.50	445.14	33.38
½ time	204.78	253.73	298.25	22.26
¼ time ³	102.38	126.87	148.09	11.12

¹For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.
²For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.
³The quarter-time rate may be paid only during extended evaluation.

(6) The following table states the monthly rates of subsistence allowance payable for participation in a rehabilitation program under 38 U.S.C. Chapter 31 that occurs after September 30, 1998, and before October 1, 1999:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional: ¹				
Full-time	\$413.83	\$513.33	\$604.92	\$44.09
¾ time	310.95	385.57	452.26	33.91
½ time	208.06	257.79	303.02	22.62
Nonpay or nominal pay on-job training in a facility of a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor:				

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Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Full-time only	413.83	513.33	604.92	44.09
Nonpay or nominal pay work experience in a facility of a Federal, State, local, or federally recognized Indian tribe agency:				
Full-time	413.83	513.33	604.92	44.09
¾ time	310.95	385.57	452.26	33.91
½ time	208.06	257.79	303.02	22.62
Farm cooperative, apprenticeship, or other on-job training (OJT): ²				
Full-time only	361.83	437.57	504.28	32.80
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	413.83	513.33	604.92	44.09
OJT greater than ½ time ²	361.83	437.57	504.28	32.80
Non-farm cooperative (Full-time only):				
Institutional	413.83	513.33	604.92	44.09
On-job ²	361.83	437.57	504.28	32.80
Improvement of rehabilitation potential:				
Full-time only	413.83	513.33	604.92	44.09
¾ time	310.95	385.57	452.26	33.91
½ time	208.06	257.79	303.02	22.62
¼ time ³	104.02	128.90	151.51	11.30

¹ For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.

² For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.

³ The quarter-time rate may be paid only during extended evaluation.

(7) The following table states the monthly rates of subsistence allowance payable for participation in a rehabilitation program under 38 U.S.C. Chapter 31 that occurs after September 30, 1999, and before October 1, 2000:

Type of program	No dependents	One dependent	Two dependents	Additional amount for each dependent over two
Institutional: ¹				
Full-time	\$420.45	\$521.54	\$614.60	\$44.80
¾ time	315.93	391.74	459.50	34.45
½ time	211.39	261.91	307.87	22.98
Nonpay or nominal pay on-job training in a Federal, State, local, or federally recognized Indian tribe agency; training in the home; vocational course in a rehabilitation facility or sheltered workshop; independent instructor; institutional non-farm cooperative:				
Full-time only	420.45	521.54	614.60	44.80
Nonpay or nominal pay work experience in a Federal, State, local, or federally recognized Indian tribe agency:				
Full-time	420.45	521.54	614.60	44.80
¾ time	315.93	391.74	459.50	34.45
½ time	211.39	261.91	307.87	22.98
Farm cooperative, apprenticeship, or other on-job training (OJT): ²				
Full-time only	367.62	444.57	512.35	33.32
Combination of institutional and OJT (Full-time only):				
Institutional greater than ½ time	420.45	521.54	614.60	44.80
OJT greater than ½ time ²	367.62	444.57	512.35	33.32
Non-farm cooperative (Full-time only):				
Institutional	420.45	521.54	614.60	44.80
On-job ²	367.62	444.57	512.35	33.32
Improvement of rehabilitation potential:				
Full-time	420.45	521.54	\$614.60	\$44.80
¾ time	315.93	391.74	459.50	34.45
½ time	211.39	261.91	307.87	22.98
¼ time ³	105.98	130.96	153.93	11.48

¹ For measurement of rate of pursuit, see §§ 21.4270 through 21.4275.

² For on-job training, subsistence allowance may not exceed the difference between the monthly training wage, not including overtime, and the entrance journeyman wage for the veteran's objective.

³ The quarter-time rate may be paid only during extended evaluation.

(Authority: 38 U.S.C. 3108, 3115(a)(1); Pub. L. 103-446)

(c) *Subsistence allowance precluded.* A veteran may not receive a subsistence

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allowance when VA is providing the veteran only the following services:

- (1) Initial evaluation;
- (2) Placement and post-placement services under 38 U.S.C. 3105(b); or
- (3) Counseling.

(Authority: 38 U.S.C. 3108 (a)(1) and (a)(3))

(d) *Dependents.* The term *dependent* means a spouse, child or dependent parent who meets the definition of relationship specified in §§ 3.50, 3.57 or 3.59 of this chapter.

(Authority: 38 U.S.C. 3108(b))

[49 FR 40814, Oct. 18, 1984, as amended at 51 FR 9955, Mar. 24, 1986; 52 FR 42113, Nov. 3, 1987; 54 FR 4283, Jan. 30, 1989; 56 FR 7567, Feb. 25, 1991; 60 FR 4561, Jan. 24, 1995; 65 FR 51764, Aug. 25, 2000; 65 FR 60724, Oct. 12, 2000; 76 FR 34000, June 10, 2011]

§ 21.262 Procurement and reimbursement of cost for training and rehabilitation services, supplies, or facilities.

(a) *General.* Whenever services, supplies and facilities from source outside VA are required by any of these regulations, they shall be provided through contract, agreement or other cooperative arrangement between VA and the vendor.

(Authority: 38 U.S.C. 3115(b))

(b) *VA Acquisition Regulations.* Payments of charges for training and rehabilitation services, supplies, or facilities, authorized under Chapter 31 are subject to the provisions of applicable VA Acquisition Regulations especially 48 CFR part 831 and subpart 871.2.

(Authority: 38 U.S.C. 3115(a))

§ 21.264 Election of payment at the 38 U.S.C. chapter 30 educational assistance rate.

(a) *Eligibility.* A veteran who applies for, and is found entitled to training or education under Chapter 31, may elect to receive payment at the educational allowance rate and other assistance furnished under Chapter 30, for similar training in lieu of a subsistence allowance, provided the following criteria are met:

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(1) The veteran has remaining eligibility for, and entitlement to educational assistance under Chapter 30;

(2) The veteran enrolls in a program of education or training approved for benefits under Chapter 30;

(3) The program of education is part of an IWRP (Individualized Written Rehabilitation Plan) approved by VA.

(Authority: 38 U.S.C. 3015, 3022, 3108(f))

(b) *Reelection of subsistence allowance.* Reelection of payment of benefits at the Chapter 31 subsistence allowance rate may be made only after completion of a term, quarter, semester, or other period of instruction unless:

(1) Chapter 30 eligibility or entitlement ends earlier;

(2) Failure to approve immediate reelection would prevent the veteran from continuing in the rehabilitation program.

(Authority: 38 U.S.C. 3015, 3022, 3108(f))

(c) *Services precluded.* A veteran entitled to vocational rehabilitation training or education who elects payment at the educational assistance rate payable under Chapter 30 shall be provided the same training and rehabilitation services as other veterans under Chapter 31, but may not be provided:

- (1) Subsistence allowances;
- (2) Loans from the revolving fund loan;

(3) Payment of costs for:

- (i) Vocational and other training services;
- (ii) Supplies; or
- (iii) Individualized tutorial assistance.

(Authority: 38 U.S.C. 3015, 3022, 3108(f))

(d) *Chapter 30 provisions applicable.* A veteran who has elected payment at the Chapter 30 educational assistance rate must meet the same terms and conditions as other veterans pursuing similar training under these programs.

(Authority: 38 U.S.C. 3015, 3022, 3108(f))

[49 FR 40814, Oct. 18, 1984, as amended at 54 FR 4283, Jan. 30, 1989; 57 FR 57108, Dec. 3, 1992]